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Financing of the United Nations Observer Mission in Liberia

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Report of the Secretary-General

Summary

The present report contains the financial performance report of the United Nations Observer Mission in Liberia (UNOMIL) for the period from 1 July 1997 to 30 June 1998. Resources totalling $12,226,700 gross ($11,667,900 net) were provided to the Mission for that period, comprising $8,952,900 gross ($8,434,900 net) appropriated by the General Assembly in its decision 52/407 of 31 October 1997 for the liquidation and administrative closing of the Observer Mission and an authorization provided by the Advisory Committee on Administrative and Budgetary Questions to utilize $3,273,800 gross ($3,233,000 net) to support the electoral process in Liberia, which had been postponed from May to July 1997, from resources appropriated by the General Assembly for the period from 1 July 1996 to 30 June 1997.

Expenditures for the period totalled $10,027,600 gross ($9,514,600 net), resulting in an unencumbered balance of $2,199,100 gross ($2,153,300 net).

The unencumbered balance resulted primarily from the accelerated rate of repatriation of military personnel, the non-holding of run-off presidential elections and reduced requirements for air operations.

The actions to be taken by the General Assembly in connection with the financing of UNOMIL are contained in paragraph 18 of the report.

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I. Introduction

1. The United Nations Observer Mission in Liberia (UNOMIL) was established by the Security Council in its resolution 866 (1993) on 22 September 1993 for an initial period of seven months. The mandate entrusted to the Observer Mission was extended and adjusted by subsequent Security Council resolutions, the last of which was resolution 1116 (1997) of 27 June 1997, whereby the Council extended the mandate of UNOMIL until 30 September 1997, in the expectation that it would terminate on that date.

2. In a letter dated 24 July 1997 (S/1997/581) addressed to the President of the Security Council, the Secretary-General informed the Council of the successful completion of the electoral process in Liberia. In a presidential statement dated 30 July 1997 (S/PRST/1997/41), the Security Council welcomed the successful holding of presidential and legislative elections in Liberia on 19 July 1997, and noted that it marked the fulfilment of a key element of the UNOMIL mandate.

3. In keeping with Security Council resolution 1116 (1997), the mandate of UNOMIL expired on 30 September 1997.

4. The initial budget of UNOMIL for the period from 1 July 1997 to 30 June 1998 (see A/51/756/Add.2) was based on the Observer Mission's maintenance requirements and amounted to $19,688,400 gross ($18,159,600 net). By its resolution 51/3 C of 13 June 1997, the General Assembly appropriated $20,447,100 gross ($18,918,300 net) for the maintenance of UNOMIL for the same period, including $758,700 for the support account for peacekeeping operations, to be assessed at a monthly rate of $1,703,925 gross ($1,576,525 net), subject to the decision of the Security Council to extend the mandate of the Observer Mission beyond 30 June 1997. Of that appropriation, an amount of $5,111,775 gross ($4,729,575 net) had been assessed on Member States for the period from 1 July to 30 September 1997.

5. Subsequently, pursuant to Security Council resolution 1116 (1997), the initial maintenance requirements of the Observer Mission were revised in the report of the Secretary-General dated 29 September 1997 (A/52/401) to $8,952,900 gross ($8,434,900 net) to provide for the liquidation and administrative shutdown of UNOMIL.

6. In the same report, the Secretary-General requested the General Assembly to assess an additional amount of $3,841,125 gross ($3,705,325 net), taking into account the amount of $5,111,775 gross ($4,729,575 net) already assessed for the period from 1 July to 30 September 1997 under the terms of Assembly resolution 51/3 C.

7. The revised budget did not include requirements related to the holding in July 1997 of legislative and presidential elections in Liberia, for which resources had been provided earlier by the Advisory Committee on Administrative and Budgetary Questions. In its letter dated 14 July 1997, the Advisory Committee concurred in the Secretary-General's request to utilize an amount of $3,273,800 gross ($3,233,000 net) pertaining to the projected unencumbered balance from the amount of $31,915,000 gross ($30,730,900 net) appropriated by the General Assembly in its resolutions 51/3 A and B of 17 October 1996 and 27 March 1997 respectively for the maintenance of UNOMIL for the period from 1 July 1996 to 30 June 1997.

8. In its report dated 10 October 1997 (A/52/451), the Advisory Committee, taking into account the preliminary unencumbered balance from the period from 1 July 1996 to 30 June 1997 of some $2.5 million gross and the additional amount of $3,273,800 gross ($3,233,000 net) committed for the electoral process, indicated that there was no need at that time for the additional assessment requested by the Secretary-General (see para. 6 above).

9. The General Assembly, by its decision 52/407 of 31 October 1997, reduced the appropriation provided for UNOMIL under the terms of its resolution 51/3 C for the period from 1 July 1997 to 30 June 1998 from $20,447,100 gross ($18,918,300 net) to $8,952,900 gross ($8,434,900 net), including $758,700 for the support account for peacekeeping operations, and deferred the assessment of the additional amount of $3,841,125 gross ($3,705,325 net) pending the review and consideration of the performance report of the Observer Mission for the period from 1 July 1996 to 30 June 1997.

10. The financial performance report of UNOMIL for the period from 1 July 1996 to 30 June 1997 was contained in document A/52/401/Add.1, dated 12 January 1998. From the total appropriation of $31,915,000 gross ($30,730,900 net), expenditures amounted to $26,084,900 gross ($25,281,400 net), after taking into account an amount of $3,273,800 gross ($3,233,000 net) utilized with the prior concurrence of the Advisory Committee to cover the cost of holding elections in Liberia during the period beginning 1 July 1997, resulting in an unencumbered balance of $2,556,300 gross ($2,216,500 net). The General Assembly has yet to take action on this reported unencumbered balance. The Assembly also has yet to consider and take note of the report of the Secretary-General on the final disposition of the assets of UNOMIL, dated 26 June 1998 (A/52/401/Add.2).

11. Table 1 shows, in section A, the summary of financial resources provided to UNOMIL for the fiscal years 1996/97 and 1997/98, as well as related expenditures and unencumbered balances. Appropriations and assessments for the same periods are shown in section B.

Table 1
Summary of resources provided to UNOMIL for the 1996/97 and 1997/98 financial periods

		1 July 1996 to 30 June 1997			1 July 1997 to 30 June 1998		
		Reference	*Gross*	*Net*	*Reference*	*Gross*	*Net*
A.	**Resources and expenditures**						
1.	Appropriations	Resolutions 51/3 A and B	31 915 000	30 730 900	Decision 52/407	8 952 900	8 434 900
2.	Commitment authority (roll-over of funds)	Advisory Committee letter of 14 July 1997	(3 273 800)	(3 233 000)	Advisory Committee letter of 14 July 1997	3 273 800	3 233 000
3.	Total (1+2)		28 641 200	27 497 900		12 226 700	11 667 900
4.	Expenditures	A/52/401/Add 1	(26 084 900)	(25 281 400)	Annex I	(10 027 600)	(9 514 600)
5.	Unencumbered balance (3 - 4)		2 556 300	2 216 500		2 199 100	2 153 300
B.	**Appropriations and assessments**						
1.	Appropriations	Resolutions 51/3 A and B	31 915 000	30 730 900	Decision 52/407	8 952 900	8 434 900
2.	Assessments	Resolutions 51/3 A and B	(31 915 000)	(30 730 900)	Resolution 51/3 C	(5 111 775)	(4 729 575)
3.	Amount to be assessed (1 - 2)		—	—		3 841 125	3 705 325

II. Implementation of the budget

12. Information on the operations of UNOMIL and on the situation on the ground during the period under review is contained in the reports of the Secretary-General to the Security Council dated 13 August 1997 (S/1997/643) and 12 September 1997 (S/1997/712).

13. Following the successful completion of the Liberian peace process, culminating in the holding of presidential and legislative elections on 19 July 1997 and the installation of the new Government on 2 August, the Observer Mission proceeded with the task of withdrawal, including the repatriation of military observers and international civilian staff, the disposition of assets and other administrative tasks related to its liquidation. While military observers and most of the international civilian staff left the mission area by 30 September 1997 as scheduled, owing to the unforeseen scope and complexity of residual administrative tasks involving, *inter alia*, the re-creation of the Mission's financial records lost during hostilities in April 1996, the Mission's *in situ* liquidation was extended until 28 February 1998, with a small liquidation team continuing work at United Nations Headquarters until 30 June 1998. Additional requirements for international civilian salaries arising from these delays were, however, offset by savings resulting from the accelerated repatriation of military personnel and reduced requirements for air operations.

14. The original estimated requirements for the electoral process in Liberia provided for the possibility of holding, on 2 August 1997, run-off presidential elections. The President of Liberia was elected on 19 July 1997, thereby making the run-off elections unnecessary. As a result of those developments, staffing and non-staff resources earmarked for the support

of the run-off elections remained unutilized, contributing to the reported unencumbered balance. In addition, during the period ending 30 June 1997, expenditures totalling $672,154 were incurred towards the preparations for the elections (see A/52/401/Add.1, para. 6).

III. Financial performance report for the period from 1 July 1997 to 30 June 1998

15. As indicated in table 2, from the total resources of $12,226,700 gross ($11,667,900 net) made available to UNOMIL for the period from 1 July 1997 to 30 June 1998, expenditures amounted to $10,027,600 gross ($9,514,600 net), inclusive of $1,371,000 in unliquidated obligations, resulting in an unencumbered balance of $2,199,100 gross ($2,153,300 net). With regard to the amount of $8,952,900 gross ($8,434,900 net) appropriated in General Assembly decision 52/407 for the administrative closing and liquidation of the Observer Mission, expenditures totalled $8,798,700 gross ($8,303,100 net), resulting in an unencumbered balance of $154,200 gross ($131,800 net), which represents in gross terms 1.7 per cent of the amount appropriated for the period from 1 July 1997 to 30 June 1998. From the amount of $3,273,800 gross ($3,233,000 net) for the support of the electoral process in Liberia, for which the concurrence of the Advisory Committee was obtained (see para. 7 above), expenditures amounted to $1,228,900 gross ($1,211,500 net), resulting in an unencumbered balance of $2,044,900 gross ($2,021,500 net).

16. Annex I to the present report contains the financial performance information for the reporting period by budget line item, with the total apportionment indicated in column 1. Column 2 shows expenditures related to the liquidation of the Observer Mission, while expenditures related to the electoral process are shown in column 3. Total expenditure is contained in column 4, with variances indicated in column 5. Supplementary information on significant variances is presented in annex II. Charts showing the planned and actual deployment of military and civilian personnel and apportionment and expenditures by main budget groups are presented in annexes III and IV respectively.

17. Information on the deployment of military and civilian personnel during the reporting period is presented in table 3 and annex III. In view of the phase-out of personnel during the reporting period, the authorized and actual strength of military and civilian staff is indicated in person-months.

Table 2
Apportionment and expenditure
(Thousands of United States dollars)

Category of expenditure	*Apportionment*	*Expenditure*[a]	*Variance*
Military personnel costs	707.6	701.2	6.4
Civilian personnel costs	6 910.2	5 298.7	1 611.5
Operational costs	3 291.4	2 756.0	535.4
Other programmes	—	—	—
United Nations Logistics Base at Brindisi	—	—	—
Support account for peacekeeping operations	758.7	758.7	—
Staff assessment	558.8	513.0	45.8
Total	**12 226.7**	**10 027.6**	**2 199.1**
Income from staff assessment	(558.8)	(513.0)	(45.8)
Voluntary contributions in kind (budgeted)	—	—	—
Net requirements	**11 667.9**	**9 514.6**	**2 153.3**
Voluntary contributions in kind (non-budgeted)	—	—	—
Total resources	**11 667.9**	**9 514.6**	**2 153.3**

[a] Includes $1,371,000 in unliquidated obligations.

Table 3
Authorized staffing, incumbency and vacancy rates for military and civilian personnel for the period from 1 July 1997 to 30 June 1998

Personnel category	*Authorized person-months*	*Actual person-months*	*Vacancy rate (percentage)*
Military observers	165	140	15.2
Military contingents	—	—	—
Civilian police	—	—	—
International staff	352	394	(11.9)
Local staff	554	610	(10.1)
United Nations Volunteers	81	79	2.5

IV. Actions to be taken by the General Assembly at its fifty-third session

18. The actions to be taken by the General Assembly at its fifty-third session in connection with the financing of UNOMIL are as follows:

(a) To assess the additional amount of $3,841,125 gross ($3,705,325 net) for the period from 1 July 1997 to 30 June 1998;

(b) To decide on the treatment of the unencumbered balance of $2,556,300 gross ($2,216,500 net) for the period from 1 July 1996 to 30 June 1997;

(c) To decide on the treatment of the unencumbered balance of $2,199,100 gross ($2,153,300 net), comprising:

(i) An amount of $154,200 gross ($131,800 net) pertaining to the period from 1 July 1997 to 30 June 1998 (administrative closing and liquidation of the Observer Mission);

(ii) An amount of $2,044,900 gross ($2,021,500 net) pertaining to the period from 1 July 1996 to 30 June 1997 (represents the balance of the commitment authority utilized for the support of the electoral process in Liberia);

(d) To take note of the report on the final disposition of the assets of the Observer Mission contained in document A/52/401/Add.2.

Annex I

Financial performance report for the period from 1 July 1997 to 30 June 1998: summary statement

(Thousands of United States dollars)

	(1)	(2)	(3)	(4) = (2+3)	(5) = (1-4)
		Expenditure			
	Apportionment	*Liquidation*	*Election-related*	*Total*	*Variance*
I. Military personnel costs					
1. Military observers	666.8	660.4	-	660.4	6.4
2. Military contingents	-	-	-	-	-
3. Other costs pertaining to military personnel					
(a) Contingent-owned equipment	-	-	-	-	-
(b) Death and disability compensation	40.8	40.8	-	40.8	-
Subtotal, line 3	40.8	40.8	-	40.8	-
Total, category I	**707.6**	**701.2**	**-**	**701.2**	**6.4**
II. Civilian personnel costs					
1. Civilian police	-	-	-	-	-
2. International and local staff	4 732.3	4 284.1	203.1	4 487.2	245.1
3. International contractual personnel	-	-	-	-	-
4. United Nations Volunteers	854.4	51.7	325.4	377.1	477.3
5. Government-provided personnel	-	-	-	-	-
6. Civilian electoral observers	1 323.5	-	434.4	434.4	889.1
Total, category II	**6 910.2**	**4 335.8**	**962.9**	**5 298.7**	**1 611.5**
III. Operational costs					
1. Premises/accommodation	1 143.0	910.8	52.2	963.0	180.0
2. Infrastructure repairs	-	-	-	-	-
3. Transport operations	146.4	95.2	55.4	150.6	(4.2)
4. Air operations	617.4	216.8	63.6	280.4	337.0
5. Naval operations	-	-	-	-	-
6. Communications	241.0	223.3	0.5	223.8	17.2
7. Other equipment	40.2	15.5	-	15.5	24.7
8. Supplies and services	266.6	257.4	76.9	334.3	(67.7)
9. Air and surface freight					
(a) Transport of contingent-owned equipment	-	-	-	-	-
(b) Commercial freight and cartage	836.8	788.4	-	788.4	48.4
Subtotal, line 9	**836.8**	**788.4**	**-**	**788.4**	**48.4**
Total, category III	**3 291.4**	**2 507.4**	**248.6**	**2 756.0**	**535.4**

	(1)	(2)	(3)	(4) = (2+3)	(5) = (1-4)
		Expenditure			
	Apportionment	*Liquidation*	*Election-related*	*Total*	*Variance*
IV. Other programmes					
1. Election-related supplies and services	-	-	-	-	-
2. Public information programmes	-	-	-	-	-
3. Training programmes	-	-	-	-	-
4. Mine-clearing programmes	-	-	-	-	-
5. Assistance for disarmament and demobilization	-	-	-	-	-
Total, category IV	-	-	-	-	-
V. United Nations Logistics Base at Brindisi	-	-	-	-	-
VI. Support account for peacekeeping operations	758.7	758.7	-	758.7	-
VII. Staff assessment	558.8	495.6	17.4	513.0	45.8
Total, categories I–VII	**12 226.7**	**8 798.7**	**1 228.9**	**10 027.6**	**2 199.1**
VIII. Income from staff assessment	(558.8)	(495.6)	(17.4)	(513.0)	(45.8)
IX. Voluntary contributions in kind (budgeted)	-	-	-	-	-
Total, categories VIII–IX	**(558.8)**	**(495.6)**	**(17.4)**	**(513.0)**	**(45.8)**
Gross requirements	12 226.7	8 798.7	1 228.9	10 027.6	2 199.1
Net requirements	11 667.9	8 303.1	1 211.5	9 514.6	2 153.3
X. Voluntary contributions in kind (non-budgeted)	-	-	-	-	-
Total resources	**11 667.9**	**8 303.1**	**1 211.5**	**9 514.6**	**2 153.3**

Annex II

Supplementary information on significant variances

Military personnel costs

Apportionment: $707,600; expenditure: $701,200; variance: $6,400

1. The unutilized balance of $6,400 under this heading was attributable to the accelerated repatriation of military observers. While apportionment was based on a total strength of 5,064 person-days, the actual deployment totalled 4,329 person-days, resulting in an unutilized balance of 735 person-days under mission subsistence allowance. These savings were partially offset by a higher average cost of repatriation travel per trip ($3,466) than budgeted ($2,540).

Civilian personnel costs

Apportionment: $6,910,200; expenditure: $5,298,700; variance: $1,611,500

2. The unutilized balance of $1,611,500 under this heading was attributable primarily to the non-holding of the run-off presidential elections, resulting in reduced requirements under international and local staff ($245,100), United Nations Volunteers ($477,300) and civilian electoral observers ($889,100).

International and local staff

Apportionment: $4,732,300; expenditure: $4,487,200; variance: $245,100

3. The unutilized balance of $245,100 under this heading was attributable primarily to the non-holding of run-off presidential elections and reduced requirements under consultants and common staff costs. International staff on annual leave, home leave or assignment were not entitled to mission subsistence allowance and, owing to the closing of the Observer Mission, most could not utilize some entitlements that are normally charged to common staff costs. Owing to the completion of the electoral process in July rather than August 1997, services of the consultants engaged to render advice and assistance to the Liberian Independent Election Commission were no longer required. Also, in anticipation of the closing of the Mission, the contracts of local staff were converted from the 300 series to special service agreements, effective August 1997. The savings were partially offset by additional requirements under international staff salaries ($108,400) due to delayed completion of administrative closing and other residual administrative tasks.

4. The recorded expenditure includes an amount of $203,100 related to the electoral process in Liberia, consisting of $68,200 pertaining to international staff salaries, $3,100 for local staff salaries, $11,400 for consultants, $47,700 for common staff costs, $5,500 for mission subsistence allowance and $67,200 for official travel.

United Nations Volunteers

Apportionment: $854,400; expenditure: $377,100; variance: $477,300

5. The unutilized balance of $477,300 under this heading resulted from the non-holding of run-off presidential elections. Expenditures totalling $325,400 relate to the electoral process.

Civilian electoral observers

Apportionment: $1,323,500; expenditure: $434,400; variance: $889,100

6. The unutilized balance of $889,100 under this heading resulted from the non-holding of run-off presidential elections, for which $530,500 was earmarked. Furthermore, electoral observers selected from international staff serving with the United Nations Observer Mission in Angola (10 persons) and the United Nations Mission for the Referendum in Western Sahara (40 persons) travelled to Liberia on their respective Mission's aircraft rather than by commercial flights, resulting in reduced requirements under travel costs.

Operational costs

Apportionment: $3,291,400; expenditure: $2,756,000; variance: $535,400

7. The unutilized balance of $535,400 under this heading resulted from reduced requirements totalling $607,300 under premises/accommodation ($180,000), air operations ($337,000), communications ($17,200), other equipment ($24,700) and commercial freight and cartage ($48,400), which were offset in part by additional requirements totalling $71,900 under transport operations ($4,200) and supplies and services ($67,700) due to the delayed administrative closing of the Observer Mission.

Premises/accommodation

Apportionment: $1,143,000; expenditure: $936,000; variance: $180,000

8. The unutilized balance of $180,000 under this heading was attributable to savings from the early termination of rental contracts ($208,100) and reduced requirements for alteration and renovation of premises ($9,900), which were offset in part by additional requirements of $38,000 for maintenance supplies and services to restore rented premises to their original condition prior to their return to lessors ($3,300) and utilities due to the delayed administrative closing of the Observer Mission ($34,700). Expenditures of $52,200 for rental of premises are related to the electoral process.

Air operations

Apportionment: $617,400; expenditure: $280,400; variance: $337,000

9. The aircraft fleet of the Observer Mission during the reporting period consisted of two medium-utility helicopters (B-212 and MI-8) and two light passenger fixed-wing aircraft on short-term charter, and was primarily responsible for providing support for the electoral process in Liberia. The unutilized resources of $337,000 under this heading for fixed-wing aircraft ($154,100), helicopters ($175,200) and other air operations ($7,700) were attributable to the early termination of air charter contracts owing to the completion of the electoral process in July 1997 rather than in August, and fewer flight hours logged by the aircraft.

Communications

Apportionment: $241,000; expenditure: $223,800; variance: $17,200

10. The unutilized balance of $17,200 under this heading resulted from reduced requirements for satellite transponder services and lower pouch and postage costs ($33,400), partially offset by additional requirements for communications spare parts and supplies due to the high prices of those items in the local market ($16,200). In addition, amounts collected

from Observer Mission personnel for personal telephone calls and credited to the Mission's account also contributed to the reported unutilized balance.

Other equipment

Apportionment: $40,200; expenditure: $15,500; variance: $24,700

11. The unutilized balance of $24,700 under office furniture ($14,100), office equipment ($2,300) and accommodation equipment ($16,000) was due to utilization of existing stocks to meet requirements for the electoral process. It was partially offset by additional requirements for spare parts and supplies due to the high prices of these items in the local market ($7,700).

Supplies and services

Apportionment: $266,600; expenditure: $334,300; variance: ($67,700)

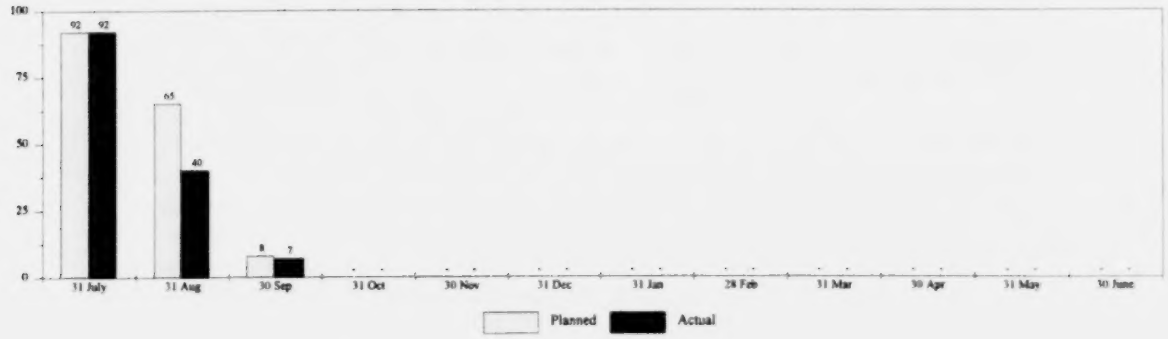
12. The additional requirement of $67,700 under this heading was attributable primarily to the high bank charges and fees imposed by the Observers Mission's banking institutions in Liberia and Abidjan, to recording losses due to exchange rate fluctuations and to the higher than planned cost of rations provided to electoral observers deployed to regional polling stations during the elections.

13. These additional requirements were partially offset by unutilized balances totalling $38,600. Savings were achieved as a result of the lower cost of reproduction supplies and materials for the elections and to the provision of medical supplies, sanitation and cleaning materials and United Nations accoutrements for electoral observers from UNOMIL stocks and from other missions. Unutilized balances also resulted from the cancellation of a requirement for operational maps. Furthermore, the provision made for claims and adjustments remained unutilized, as no claims were filed against the Observer Mission during the reporting period.

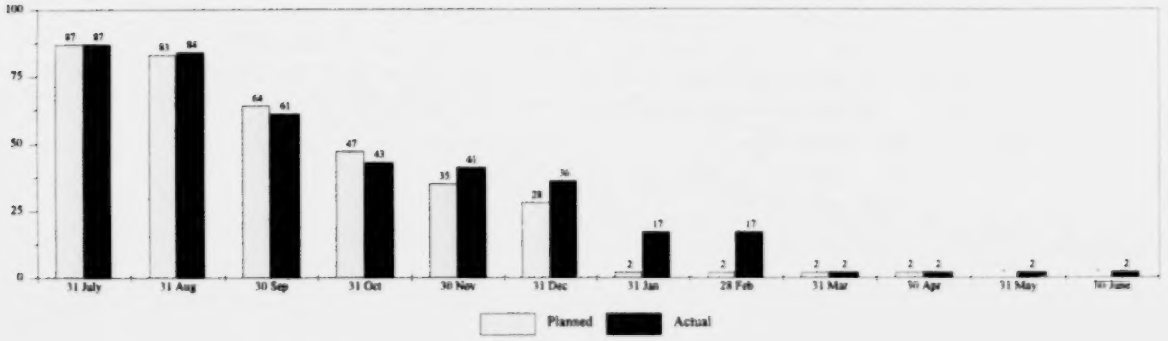
Annex III

Planned and actual deployment of military and civilian personnel for the period from 1 July 1997 to 30 June 1998

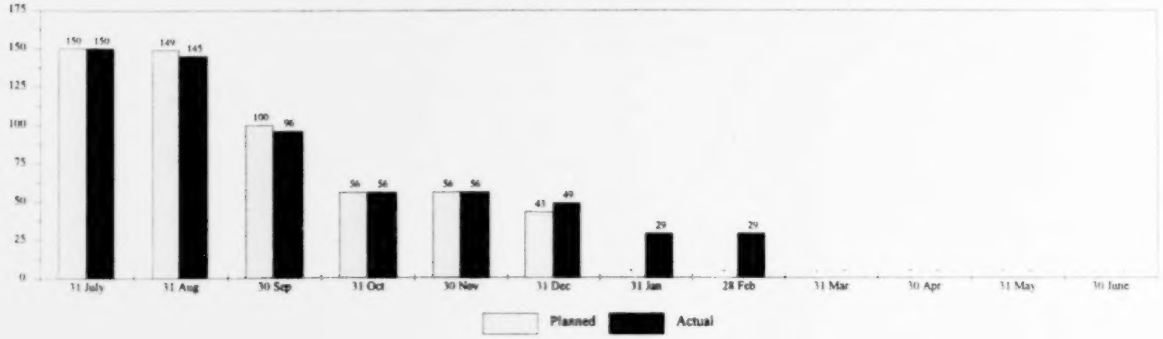
1. Military observers



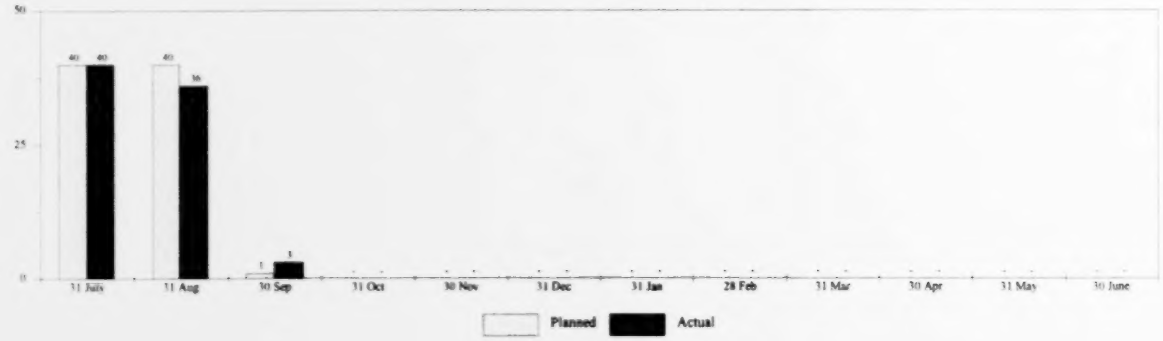
2. International staff



3. Local staff



4. United Nations Volunteers



Annex IV

Apportionment and expenditures for the period from 1 July 1997 to 30 June 1998